

TOP
8/26/04



04016606

SECURITIES AND EXCHANGE COMMISSION

RECEIVED

AUG 26 2004

ANNUAL AUDITED REPORT

FORM X-17A-5

PART III

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	September 30, 1998
Estimated average burden	hours per response ... 12.00

SEC FILE NUMBER
8-42994

DIVISION OF MARKET REGULATION

Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 4/1/03 AND ENDING 3/31/04
MM/DD-YY MM/DD-YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: DUNCAN CAPITAL, LLC / formerly
Rockwood Inc

OFFICIAL USE ONLY

FIRM ID NO

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

(No. and Street)

(City)

(State)

PROCESSED

SEP 10 2004

THOMSON
FINANCIAL

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

(Area Code -- Telephone No.)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Stanley P. Wirthheim

(Name -- if individual, state last, first, middle name)

(Address)

(City)

(State)

Zip Code:

CHECK ONE:

- ☐ Certified Public Accountant
- ☐ Public Accountant
- ☐ Accountant not resident in United States or any of its possessions

FOR OFFICIAL USE ONLY

Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See section 240.17a-5(e)(2).

SEC 1710 (3-91)

* Excluded persons who are so exempted from the collection of information contained in this form are not required to respond unless the form displays a currently valid (2001) IS control number.

LM

SW

ROCKWOOD, INC.
(A Wholly-Owned Subsidiary of Santal
Holdings, LLC.)
(SEC I.D. No. 8-42994)

Statement of Financial Condition and
Independent Auditors' Report as of March 31,
2004 and Supplemental Report on Internal
Control

Filed in Accordance with SEC Rule 17a-
5(e)(3) as a Public Document.

ROCKWOOD, INC.
FINANCIAL STATEMENTS
MARCH 31, 2004

CONTENTS

	Page
Facing page to Form X-17A-5	2A
Affirmation of officer	2B
Independent auditors' report	3
Financial statements:	
Statement of financial condition	4
Statement of operations	5
Statement of changes in stockholder's equity	6
Statement of cash flows	7
Notes to financial statements	8-10
Supplemental material:	
Computation of net capital pursuant to Rule 15c3-1 and statement pursuant to Rule 17a-5(d)(4)	12
Information relating to the possession or control requirements under Rule 15c3-3	13

STANLEY P. WIRTHEIM

CERTIFIED PUBLIC ACCOUNTANT

ROCKWOOD, INC.

STATEMENT OF FINANCIAL CONDITION

MARCH 31, 2004

ASSETS

Current assets:

Cash	\$230,990	
Accounts receivable	20,000	
Prepaid expenses and other receivables	<u>121,659</u>	
Total current assets		\$ 372,649

Fixed assets (net of depreciation of \$6,641)	<u>82,447</u>	
	<u>\$ 455,096</u>	

LIABILITIES AND STOCKHOLDER'S EQUITY

Current liabilities:

Accounts payable and accrued expenses	\$ 158,082
---------------------------------------	------------

Commitment and contingency (Notes 1 and 3)

-

Stockholder's equity:

Common stock, \$1 par value -- shares authorized	
75,000; issued and outstanding 75,000	75,000
Additional paid-in capital	342,501
Accumulated deficit	<u>(120,487)</u>

Total stockholder's equity	<u>297,014</u>	
	<u>\$ 455,096</u>	

See notes to financial statements.

STANLEY P. WIRTHEIM

CERTIFIED PUBLIC ACCOUNTANT

ROCKWOOD, INC.

STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 2004

Revenues		\$1,646,715
Expenses:		
General and administrative	\$ 800,885	
Staff compensation and benefits	597,470	
Professional and compliance	<u>48,180</u>	
Total expenses		<u>1,446,535</u>
Income before provision for federal income taxes		200,180
Provision for federal income tax		<u>-</u>
Net income		<u>\$ 200,180</u>

See notes to financial statements.

STANLEY P. WIRTHEIM

CERTIFIED PUBLIC ACCOUNTANT

ROCKWOOD, INC.

STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY

YEAR ENDED MARCH 31, 2004

	<u>Common Stock</u>		<u>Additional</u>	<u>Accumulated</u>	
	<u>Shares</u>	<u>Amounts</u>	<u>paid-in</u>	<u>deficit</u>	<u>Total</u>
			<u>capital</u>		
Balances, April 1, 2003	75,000	\$75,000	\$342,501	(\$320,667)	\$ 96,834
Net income	_____ -	_____ -	_____ -	<u>200,180</u>	<u>200,180</u>
Balances, March 31, 2004	<u>75,000</u>	<u>\$75,000</u>	<u>\$342,501</u>	<u>(\$120,487)</u>	<u>\$297,014</u>

See notes to financial statements.

STANLEY P. WIRTHEIM

CERTIFIED PUBLIC ACCOUNTANT

ROCKWOOD, INC.

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2004

Cash flows from operating activities:	
Net income	\$ 200,180
Adjustments to reconcile net income to net cash provided by operating activities:	
Depreciation and amortization	6,165
Changes in operating assets and liabilities:	
(Increase) decrease in operating assets and liabilities:	
(Increase) in accounts receivable	(20,000)
(Increase) in prepaid expenses and other receivables	(109,853)
Decrease in other investments	22,600
Increase in accounts payable and accrued expenses	46,982
Net cash provided by operating activities	<u>146,074</u>
 Cash flows from investing activities:	
Addition to fixed assets	<u>(87,659)</u>
Net cash (used) by investing activities	<u>(87,659)</u>
 Net increase in cash	58,415
Cash, beginning of year	<u>172,575</u>
Cash, end of year	<u>\$ 230,990</u>
 <u>Supplemental data:</u>	
Cash paid for interest	-
Cash paid for taxes	-

See notes to financial statements.

STANLEY P. WIRTHEIM

CERTIFIED PUBLIC ACCOUNTANT

ROCKWOOD, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

MARCH 31, 2004

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Depreciation

The Company's fixed assets consists primarily of office furniture and equipment. Depreciation is computed by using the straight line method over the estimated useful lives of the assets as follows:

Furniture & fixtures	7 years
Office equipment	7 years
Computers	3 years

Leasehold improvements are amortized over the remaining term of the lease utilizing the straight -line method.

2. OTHER INVESTMENTS

The Company often receives as part of its compensation options and warrants to purchase the stock of its clients at a predetermined price as stipulated in the respective agreement. The Company has written down to zero any stock it has received as compensation for services, as these shares are restricted. The options and warrants are also deemed to have no value. Realized and unrealized gains or losses are recorded in the statement of operations.

3. FIXED ASSETS

The Company's fixed assets consist of the following:

	Cost	Accumulated Depreciation	Book Value
Office furniture & equipment	\$39,466	\$1,409	\$38,057
Computer equipment	33,819	3,652	30,167
Leasehold improvements	<u>15,803</u>	<u>1,580</u>	<u>14,223</u>
Totals	<u>\$89,088</u>	<u>\$6,641</u>	<u>\$82,447</u>

4. RELATED PARTY TRANSACTIONS

During 2003, the Company paid \$350,000 in fees to its sole shareholder for management and other services. At year end there were no inter-company receivables or payables. The Company shares its facilities with non-related parties. (See note 7)

STANLEY P. WIRTHEIM

CERTIFIED PUBLIC ACCOUNTANT

SUPPLEMENTAL MATERIAL

STANLEY P. WIRTHEIM

CERTIFIED PUBLIC ACCOUNTANT

ROCKWOOD, INC.

INFORMATION RELATING TO THE POSSESSION OR
CONTROL REQUIREMENTS UNDER RULE 15C3-3

MARCH 31, 2004

The Company claims exemption from the requirements of Rule 15c3-3 under Section (k)(2)(ii) of the Rule.

STANLEY P. WIRTHEIM

CERTIFIED PUBLIC ACCOUNTANT